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and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.
: :
LEHMAN BROTHERS HOLDINGS INC., et al. : 08-13555 (JMP)
: :
Debtors. : (Jointly Administered)
: :
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**NOTICE OF ELEVENTH SUPPLEMENTAL DECLARATION
OF ALVAREZ & MARSAL NORTH AMERICA, LLC IN
CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

PLEASE TAKE NOTICE that, on November 19, 2010, Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors”) filed the attached Eleventh Supplemental Declaration of Alvarez & Marsal North America, LLC in compliance with the Order Approving Application Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code

for Authorization to Employ and Retain Alvarez & Marsal North America, LLC.

Dated: November 19, 2010
New York, New York

/s/ Richard P. Krasnow
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**ELEVENTH SUPPLEMENTAL DECLARATION OF ALVAREZ & MARSAL NORTH
AMERICA, LLC IN CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

John Suckow makes this declaration under 28 U.S.C. § 1746, and states:

1. I am a Managing Director with Alvarez & Marsal North America, LLC (together with its wholly owned subsidiaries, affiliates (which are owned by Alvarez & Marsal North America, LLC's parent company, Alvarez & Marsal Holdings, LLC ("A&M Holdings") and employees), agents, independent contractors, and employees, "A&M"), a restructuring advisory services firm with numerous offices throughout the world. Unless otherwise stated herein, I have personal knowledge of the facts set forth herein or have been informed of such matters by professionals of A&M. To the extent any information disclosed herein requires amendment or modification upon A&M's completion of further review or as additional party in interest information becomes available to it, a further supplemental declaration reflecting such amended or modified information will be submitted to the Court.

2. A&M has previously submitted declarations dated October 8, 2008 [Docket No. 760]; November 4, 2008 [Docket No. 1366]; November 17, 2008 [Docket No. 1559]; February 6, 2009 [Docket No. 2754]; May 19, 2009 [Docket No. 3606]; September 16,

2009 [Docket No. 5196]; November 4, 2009 [Docket No. 5706]; November 25, 2009 [Docket No. 5947]; February 19, 2010 [Docket No. 7173]; June 18, 2010 [Docket No. 9671]; and September 8, 2010 [Docket No. 11210] (collectively the “Declarations”) in support of the October 8, 2008 application (the “Application”) of Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above referenced chapter 11 cases, as debtors in possession (together the “Debtors” and collectively with their non-debtor affiliates “Lehman”), pursuant to sections 105(a) and 363(b) of chapter 11 of the United States Code (the “Bankruptcy Code”) for Authorization to Employ and Retain Alvarez & Marsal North America, LLC to Provide the Debtors With a Chief Restructuring Officer and Additional Personnel, and to Appoint the Chief Restructuring Officer *Nunc Pro Tunc* to September 15, 2008. [Docket No. 760].

3. On December 17, 2008, the United States Bankruptcy Court for the Southern District of New York entered an order approving the Application and the Debtors’ employment and retention of A&M. [Docket No. 2278].

4. I am submitting this Eleventh Supplemental Declaration to publicly disclose certain additional information that has become available to A&M since the filing of the Declarations.

Additional Relationships with JPMorgan Chase, Wells Fargo and HSBC

5. JPMorgan Chase Bank, N.A. (“JPMC”) together with certain of its affiliates (collectively, “JPM”), Wells Fargo Bank, National Association (“WFBNA”) together with certain of its affiliates (collectively, “Wells Fargo”) and HSBC Bank USA, N.A. (“HSBC USA”) together with certain of its affiliates (collectively, “HSBC”), are significant interested parties in the Debtors’ chapter 11 cases. Each hold and/or represent

significant unsecured claims against the Debtors. In particular, and in addition to other matters involving the Debtors and JPM, Wells Fargo and/or HSBC, the Debtors have initiated litigation against JPM in this Court with respect to claims asserting damages in excess of \$10 billion.

6. Under certain proposed credit facilities to A&M Holdings (the “Credit Facilities”): WFBNA and JPMC have agreed to act as co-lead banks (the “Lead Banks”), Wells Fargo Securities, LLC and J.P. Morgan Securities LLC have agreed to act as a co-lead arrangers, WFBNA has agreed to act as administrative agent, JPMC has agreed to act as syndication agent, and each of the Lead Banks and HSBC USA have agreed to provide financing. In addition to the Lead Banks’ and HSBC USA’s receipt of interest in their capacity as a lenders under the Credit Facilities, Wells Fargo and JPM will be entitled to certain customary and negotiated fees and reimbursement of expenses in connection with their roles under the Credit Facilities. No persons involved in providing services to the Debtors have participated in the negotiation of the terms of the Credit Facilities with Wells Fargo or JPM. A&M Holdings believes that the terms of the Credit Facilities have been negotiated at arm’s-length and represent market terms.

Additional Relationships with Local Insight Media

7. As disclosed in A&M’s Sixth Supplemental Declaration dated November 4, 2009 [Docket No. 5706], A&M was retained by Local Insight Media Holdings Inc. and certain of its affiliates and subsidiaries (“LIM”) to provide performance improvement services and to provide the services of an employee as interim chief financial officer (“Interim CFO”). Since the filing of A&M’s last declaration, A&M’s role on behalf of LIM has expanded in that it has made an employee available to serve as Chief

Restructuring Officer of LIM. A&M continues to recuse itself from directly assisting or advising either Lehman or LIM with respect to the negotiation, settlement, remediation or adjudication of any matters, claims or disputes between Lehman and LIM. In addition though A&M previously stated that no personnel providing services to Lehman shall provide services to LIM, or vice versa, it is likely that one A&M managing director that provides limited services to Lehman in matters relating to Lehman's claims against its non-debtor foreign affiliates (and therefore wholly unrelated to LIM or any products or exposure that Lehman may have to LIM) will oversee the provision of claims management services to LIM.

Other Relationships

8. A&M also becomes aware, from time to time, of relationships it has with parties-in-interest to the Debtors' cases that are not on the list of Potential Interested Parties provided by the Debtors ("Additional Parties-In-Interest"). In addition to the matters disclosed in prior Declarations, since the filing of the last declaration it has come to our attention that A&M provides diligence and advisory services to MatlinPatterson Global Advisers LLC ("MPGA"). MPGA and/or its affiliates either own or manage investments that own bond obligations of the Debtors or their affiliates. A&M's services to MPGA are wholly unrelated to their interests in these Chapter 11 cases.

9. In addition, a summons and complaint (the "Action")¹ has been filed in the Superior Court of the State of California against, among others, certain Debtor affiliates and A&M alleging actions by employees of the Debtors and, in their interim management

¹ The Action is captioned *Parker v. Lehman Brothers Real Estate Associates III, L.P.; Lehman Brothers Private Equity Advisors LLC; Real Estate Private Equity, Inc.; Alvarez & Marsal, LLC; K&L Gates, LLP; Peter Kalis; Edward Sangster; and Does 1 through 20.*

capacity for the Debtors, A&M, that together purportedly arose to intentional interference with contract, intentional interference with economic advantage and conspiracy in connection with the Debtors' defense of a securities class action suit. As A&M recognizes that it holds a common interest with the Debtors and their affiliates in defending the Action and in order to avoid duplicative and unnecessary legal fees and expenses on account of the Debtors, A&M has agreed to representation by Weil Gotshal & Manges LLP, the same counsel as is representing the Debtors.

10. A&M does not believe that any of the additional disclosures described above create conflicts of interest regarding the Debtors or their chapter 11 cases. A&M continues to believe that it is "disinterested" within the meaning of the term as it is used in section 101(14) of title 11 of the United States Code.

I declare under penalty of perjury that, to the best of my knowledge, and after reasonable inquiry, the foregoing is true and correct.

Dated: November 19, 2010
New York, New York

/s/ John Suckow
John Suckow, Managing Director